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December 13, 2007

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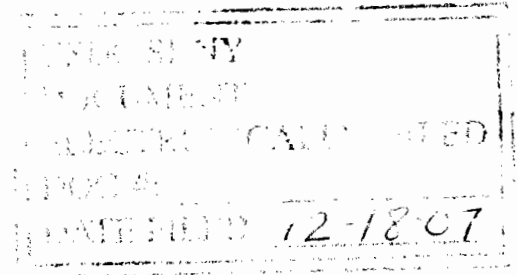
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VIA UPS OVERNIGHT

Honorable Jed S. Rakoff  
United States District Court  
Southern District of New York  
500 Pearl Street  
New York, New York 10007

Re: Local 580 v. D.F.S.  
Civil Action No.: 07 civ 5463(JSR)  
Our File No.: 4003-899



Dear Judge Rakoff:

In conformity with a call I received from your chambers, I recently filed and served a Contempt Motion, returnable on December 17, 2007 at 5:00 p.m., for the defendants' failure to submit to an audit of its books and records for the period October 1, 2005 to the present. The Court's direction appears to have had its intended effect as the defendants contacted me by telephone and agreed to comply with the audit. Enclosed herewith is a copy of a letter from the Funds' auditor informing me of the scheduled audit.

In light of the foregoing, I propose that the return date for the motion be adjourned, pending the defendants' compliance with the intentions expressed in the enclosed correspondence. It would be preferable to adjourn the date, rather than to deny the motion at this time, in the event the defendants do not honor their commitment. When (if) the audit is completed, we will withdraw the motion.

Please let me know how you would like to proceed.

Very truly yours,

COLLERAN, O'HARA & MILLS L.L.P.

By

*Denis A. Engel*  
DENIS A. ENGEL

Enclosure  
cc: D.F.S./Maspeth

*Adjourned to 1/17/08 at 9 a.m.*

*50 ORERED*

*Jed S. Rakoff*

*12-14-07*